Ag Decision Maker

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Farm newsletters – are they worth the effort?

By Tim Eggers, extension field economist, 712-542-5171, teggers@iastate.edu

andlord-tenant relationships are more than a simple exchange of cash for the use of a parcel of property. While that exchange of compensation for access is the root of the relationship, a body of law and customs surround the exchange. Productive capacity, current market conditions and weather make for year-to-year and place-to-place differences.

In stable long-term relationships it's possible that the only communication necessary between a landlord and tenant is the negotiation of the cash lease rate, transfer of crop and expenses or factors in the calculation of a flexible cash lease. Stability is a characteristic that landowners and tenants are known for, and longevity is a common characteristic of farm leases. The average Iowa leasing

relationship is over 11 years for cash leases and over 15 years for crop share leases. Business relationships of that longevity are likely to have more than a once-a-year conversation. Communicating information can impact the longevity of the relationship and the continuity of a leasing arrangement over multiple-generations.

Are newsletters only for new landlord-tenant relationships?

Why would a tenant in a 15-year leasing relationship start providing a newsletter? The primary reason is that the agricultural environment is not stable. Prices increased through the "golden age" of agriculture and have been declining now for several years. Costs of production increased, yet they have not been declining as quickly as grain prices. Weather is not always

beneficial, and the impact of weather events on growing crops isn't always apparent to parties who don't live in the area the land is located.

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Handbook updates

For those of you subscribing to the handbook, the following updates are included.

Change in Corn Prices by Two Week Period – A2-17 (1 page) Change in Soybean Prices by Two Week Period – A2-18 (1 page)

Iowa Farmland Rental Rates (USDA) – C2-09 (1 page) Please add these files to your handbook and remove the out-of-date material.

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Inside . . .

IOWA STATE UNIVERSITY Extension and Outreach

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Agricultural technology has become increasingly more complex and the benefits of adopting new technology are important to share.

If a mature landowner enters into a rental agreement with a younger tenant, then 15 years later the landowner may want to involve others of the agreement (spouses, children, etc.) Sometimes the maturity levels are flipped and it's the tenant who feels the need to bring others into the relationship. Continuation of the leasing relationship across generations is more likely with solid communications. While verbal communication may be sufficient between the tenant and landowner, written communication can be shared with others.

In the first year of the landlord-tenant relationship it's possible that assumptions each party entered the lease with are found to be wrong. If those assumptions aren't addressed, putting off that discussion and hoping for improvement may not correct the issue. It's possible that the other party isn't aware of any problems or hopes a problem will be solved by time alone. That approach doesn't always work.

Do farm newsletters need to be complicated?

Farm newsletters can be quite complicated, but don't need to be. A web search with the term "farm newsletters" provides several examples and resources to help create one. A person using many of the easy to find online resources and examples could come away thinking farm newsletters were more trouble than they were worth and impractical.

Farm newsletters can also be simple. A farm newsletter for many Iowa farmers is a one-to-one or one-to-few communication. The objective of a farm newsletter for many Iowa farmers may be simple improvement of communication between a farm operator and the landlords with whom they are involved in a long-term business arrangement.

Developing a Farm Newsletter for Landlords, www.extension.iastate.edu/agdm/wholefarm/html/c2-14.html, was adapted from an earlier document created by Joe Parcell and Bob Wells as a University of Missouri MU Guide. It explores a simple newsletter approach. If the purpose of the newsletter is to garner attention from a new audience, a bold design may be the direction to go. If the purpose is to share information, a simpler approach may be sufficient.

Even a simple newsletter takes effort. With so many tasks to complete on a typical farm, how do I know what to include?

I asked several landowners about the things they'd like to see in a newsletter. I've broken the responses into categories that may be useful when thinking about a plan to share information over time. Some of the items are unique to each farm. Others are general enough to be shared in a newsletter that could go to several landowners.

Crop share landowners

 Bills have chemical names, but those names don't indicate the weeds they were used to control. If a common herbicide strategy was implemented, the reason for the herbicides chosen could be shared.

Unique to a farm

- Soil test results
- Moisture of harvested corn
- Pictures of growing crops, pastures, and cover crops
- Crop planting, chemical application, harvesting and other activity dates

General for the area

- Amount of rainfall per month during growing season
- Date of first killing frost
- Storms although the impact on a particular farm may need to be shared only with that landowner
- People in the area who are resources for agricultural decisions

Farm newsletters – are they worth the effort?, continued from page 2

- Environmentally friendly farming practices in use or considered
- Best time to view the property
- Zoning changes

General

- Changes in costs of crop production
- Current marketing issues
- Marketing strategies
- Conditions in the area with regards to access to health care, local foods, and lifestyle

Livestock lease information

 Report on number of calves born by week, with a few pictures

Personal information

- Life events: births, marriages, birthdays and anniversaries of family members and employees
- Church functions
- 4-H, county fair, and other community activities

If anything in this list surprised you, then I encourage you to ask your landowner what they'd like to hear about in a newsletter. It's possible that in addition to the topics you think of as important to share, they have something

they'd like to know that will improve your relationship.

As the article states, don't try to do everything at once. Develop a plan for what you're going to share over time. The newsletter shouldn't replace the communication you already have with your landowner, it should add to it. Perhaps you share something to trigger a conversation. Perhaps you share something to make them aware of a resource they tend to ask you about frequently.

It can be difficult to find additional land near enough to your base of operations to be practical. If the newsletter can help you to keep land or gain additional land, then it's worth considering. A newsletter may or may not fit into your operation's communication strategy. If verbal communications aren't an area of strength, you may want to try a farm newsletter. If written communications are an area of strength, you may wonder why you don't already have a farm newsletter.

For more information on farm newsletters, including suggested topics and examples, see *Information File C2-14*, <u>Developing a Farm Newsletter for Landlords</u>.



Protecting human resources should be part of farm risk management

By Ann Johanns, extension program specialist, 641-732-5574, aholste@iastate.edu

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The following article is an update of a version originally written by the late Bob Wells in 2010.

n today's complex world of agriculture, producers understand that risk management is the key to their profitability. Most producers think of risk management only in terms of production, marketing and financial risk. While these are important to the success of the farm business, often overlooked are the human resources risk and the seldom

mentioned possibility of unintentional death and disablement faced by producers every day.

As fall harvest nears, National Farm Safety and Health Week (September 18-24, 2016) encourages farm families to be alert to the dangers and practice farm safety. In any year, there are many close calls for Iowa producers in the field, in livestock pens, in grain bins and on Iowa's roads. Each is a reminder that jobs associated with agriculture are among the most dangerous ways of making a living in Iowa.

Protecting human resources should be part of farm risk management, continued from page 3

Studies show that a majority of farm-related fatalities and injuries occur from May through October, with peak injury periods during planting and harvest. Data from the Bureau of Labor Statistics (Figure 1) shows that during the years 2004 through 2014, Iowa had 301 farm fatalities. During that same period, Iowa farm injuries totaled 8,400.

Chuck Schwab, Iowa State University Extension and Outreach farm safety specialist, states that the National Safety Council calculates each death has an associated cost of \$1,139,000 and each injury has an estimated cost of \$37,000. As a result, the Iowa fatalities represent an economic loss of \$343 million and injuries account for an economic loss of \$310 million, or a total of \$653 million in the ten year period.

Collisions with vehicles

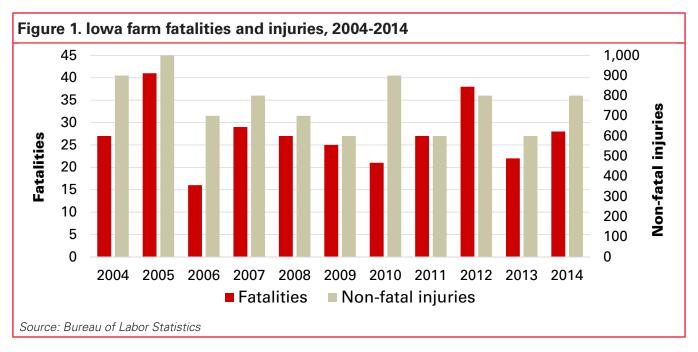
With the majority of farm fatalities and injuries involving vehicles, defensive driving is critical to the safety of operators moving farm equipment on Iowa's roads. A major cause of tractor collisions on public roads is the difference in speed between cars and tractors. The car's higher rate of speed results in the motorist approaching the tractor so quickly they have only a few

seconds to identify the hazard and react. For example, if the motorist is driving 55 miles per hour and comes up on a tractor that is moving 15 miles per hour, it only takes five seconds to close a gap the length of a football field. Another way of looking at it: if the driver of a car that is traveling at 50 miles per hour spots a tractor 400 feet ahead on the road and the tractor is moving at 20 miles per hour, the motorist has less than 10 seconds to avoid a rear-end collision.

Here are some practical tips that can help.

- Have reflectors and slow-moving vehicle emblems (in Iowa, SMV emblems are required for vehicles traveling less than 30 mph*) in place on all tractors and implements.
- Make sure reflectors and SMV emblems are clean and in good condition.
- Use warning lights on tractors. They can help protect you from being hit by motorists.
- Consider installing lights on the back of wagons and farm implements at the eye level of motorist.

Common collisions between motorists and farm implements involve one of two scenarios, either the left turn collision or the rear end collision.



Protecting human resources should be part of farm risk management, continued from page 4

The left-turn collision occurs when the tractor is about to make a left turn at about the same time that a motorist tries to pass. This maneuver can confuse motorists, especially if they think that the tractor operator is moving over to let them pass. The rear-end collision happens because a motorist doesn't see the farm machinery in time. It's easy to misjudge speed when approaching a slow-moving vehicle. In most cases, there are only a few seconds to react and slow down.

Non vehicle injuries

Non vehicle injuries are among the most preventable on the farm. To reduce the likelihood of these injuries, make sure surfaces are free from spilled grain, debris and mud. Check to see that all machinery and equipment is operating properly and that all shields covering moving parts are in place on tractors, implements and other equipment. What may seem like minor repairs now could have major implications later. Some of the most alarming injuries involve power take-off (PTO) units. Developing safe work habits is the key to reducing the number of PTO related injuries.

Involve children in farm safety checks. Talk to children about dangerous areas. Make sure they understand which areas are off limits. Remind them of the rules on a regular basis; listing the rules once is not enough. Devote an entire day to family safety instruction. It is important that everyone develops a "safety first" attitude on the farm. Just as "town" kids who visit a farm need to be taught farm safety rules, "farm" kids need reminders that safety is a concern no matter where you are. Reminders include looking for traffic and the steps to take or who to ask for help if they get separated from you.

Even if all precautions are taken, accidents can still occur. Take extra time, slow down, and prevent those that can be avoided. Protect the valuable human resources on Iowa's farms this year by being alert, cautious and having a safe harvest.

More information on farm safety and managing farm employees can be found in the resources below.

AgDM Human Resources - <u>www.extension.</u> <u>iastate.edu/agdm/wdhumanresources.html</u>

Ag and Biosystems Engineering - Farm Safety - www.abe.iastate.edu/extension-and-outreach/agricultural-health-safety/national-farm-safety-and-health-week/

ISU Extension and Outreach Farm Safety
Publications - <u>store.extension.iastate.edu/Topic/</u>
<u>Farm-Management/Farm-Safety</u>

* The international standard requires the SMV emblem for vehicles traveling 25 mph or less; however, Iowa has placed in the state code that SMV emblems are for vehicles traveling 30 mph or less. For more details, see ISU Extension and Outreach Publication, PM 1265J, <u>Use SMV emblems for your safety</u>.



National Farm Safety & Health Week September 18-24, 2016

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Internet Updates

The following Information Files and Decision Tools have been updated on www.extension.iastate.edu/agdm.

Crop and Livestock Land Use Analyzer – C1-15 (Decision Tool)

Farm Employee Management: Health, Stress, and Well-Being – C1-82 (3 pages)

Vision and Mission Statements -- a Roadmap of Where You Want to Go and How to Get There - C5-09 (4 pages)

Setting Personal, Family and Business Goals for Business Success – C6-42 (3 pages)

What is Important to Me? – C6-43 (1 pages)

Current Profitability

The following tools have been updated on www.extension.iastate.edu/agdm/info/outlook.html.

Corn Profitability - A1-85

Soybean Profitability - A1-86

Iowa Cash Corn and Soybean Prices – A2-11

Season Average Price Calculator - A2-15

Ethanol Profitability - D1-10

Biodiesel Profitability - D1-15

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